



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

IN REPLY  
REFER TO J-33

SEP 20 2006

MEMORANDUM FOR PROCLTR DISTRIBUTION LIST

SUBJECT: Rescission of Class Deviation (FARS DEV) 94-20, Class Deviation from Federal Acquisition Regulation (FAR) 13.3, Fast Payment Procedure, for Contracts Requiring Direct Vendor Delivery (DVD) Under the Buy Response Vice Inventory (BRVI) Initiative

This memorandum rescinds the subject open-ended class deviation, granted under the reinvention laboratory authority of BRVI. It is no longer advisable to use an outdated initiative as the basis for ongoing deviations from FAR coverage. Moreover, fast pay procedures should be used only in appropriate circumstances, which are normally limited to simplified acquisitions or contracts or orders valued below the simplified acquisition threshold. Except with regard to contracts already in effect, use of these procedures under FARS DEV 94-20 is no longer permitted for prime vendor and other acquisition approaches that feature customer direct deliveries. Alternative fast pay procedures, subject to specific conditions for their use, are being developed under separate authority.

This rescission is effective immediately. The point of contact for this action is Ms. Mary Massaro, J-3311, who can be reached at (703) 767-1366, DSN 427-1366, or via e-mail addressed to [mary.massaro@dla.mil](mailto:mary.massaro@dla.mil).

  
CLAUDIA S. KNOTT  
Senior Procurement Executive





DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
CAMERON STATION  
ALEXANDRIA, VIRGINIA 22304-6100



IN REPLY  
REFER TO

AQPLC  
FARS DEV 94-20

18 OCT 1994

SUBJECT: Class Deviation from Federal Acquisition Regulation  
(FAR) 13.3, Fast Payment Procedure, for Contracts  
Requiring Direct Vendor Delivery (DVD) Under the Buy  
Response Vice Inventory (BRVI) Initiative

TO: Commanders of DCSC, DESC, DGSC, DISC, DPSC

1. By letter dated 5 August 1994, the Principle Deputy Director, DLA, designated your BRVI initiatives, as well as Headquarters' initiatives, as National Performance Review Reinvention Laboratories. The Director, Defense Procurement, by memorandum of 9 December 1993, delegated certain deviation authority to contracting activities participating in designated Reinvention Laboratories. This Headquarters promulgated this memorandum to you by PROCLTR 94-12, dated 18 March 1994. As this deviation applies to each of your activities, I am granting this deviation at the Headquarters level, thus obviating the need for each of you to do so individually.

2. You are granted the authority to allow the use of fast payment procedures for all DVD delivery orders, regardless of dollar value, issued against indefinite-delivery contracts, awarded pursuant to your BRVI initiatives. The use of fast payment procedures carries an implicit potential for abuse. Therefore, this deviation is granted with the understanding that in conjunction with your already-established internal controls, you shall immediately establish the following additional internal controls: (1) include instructions on the face page of the DD1155 for the customer to report non-receipt of material; (2) perform 100 percent verification of customer receipt of material for all delivery orders, for which payment has been made, issued

AQPLC


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FARS DEV 94-20

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above the small purchase threshold (when implemented, the new simplified acquisition threshold); (3) perform a verification of statistically valid random sample of customer receipt of all delivery orders, for which payment has been made, issued within the small purchase threshold (when implemented, the new simplified acquisition threshold) every six months. These reviews must match payment documents (e.g. vouchers or computerized notification by DFAS of voucher numbers) to receiving reports, and detail steps taken to correct any noted discrepancies.

3. FARS DEV 94-20 applies. Our point of contact is Mr. Gregory Ellsworth, AQPLC, DSN 284-6307.

  
MARILYN S. BARNETT  
Executive Director  
(Procurement)